

THE NORTH COUNTRY GAZETTE

Box 408
Chestertown, NY 12817

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

SENSITIVE

2007 AUG 29 A 10 17

Aug. 18, 2007

Office of General Counsel
Federal Election Commission
999 6 St. NW
Washington, DC. 20463

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

2007 AUG 27 A 10 59

RE: TerriPAC -Committee ID C00417576 **MUR # 5936**

Dear Sirs:

I am herewith filing an inquiry and complaint against the above captioned political action committee of which Brian Schiavo, using an address of Coral Gables, FL., is listed as the treasurer and Michael Schiavo is the chairman.

I take issue with his most recent quarterly report filed July 17 for the period of April 1, 2007 through June 30, 2007, in which Brian Schiavo states under certification that the report is true, correct and complete, submitted under a USC 437g warning, that there is a balance of \$35,353.75 cash on hand and no debts.

I believe this to be a false written instrument in that according to the reports filed with your office since the inception of TerriPAC on or about Dec. 6, 2005, the total receipts are \$72,832.08 with disbursements of \$82,113.70 indicating that the PAC is operating \$9,281.62 in the red and it appears that disbursements have been reportedly made to individuals, in particular Derek Newton, without funds being available.

Additionally, it appears that this report was filed late. In that the 15th was on a Sunday, the report should have been filed no later than July 16.

I also believe that the year end report for 2006 is a false written instrument in that it reports a balance of \$51,236. However, based on the previous reports, the actual cash on hand as of 12/31/06 was approximately \$6,600. And, the report for the first quarter of 2007 I believe is a false written instrument in that Schiavo reports cash on hand as of April 15, 2007 of \$37,067 when actually, according to the previous reports of receipts and disbursements, the committee was minus \$7,567.80 and this deficit has now grown to nearly \$9,300 while Schiavo is showing cash on hand of \$35,353. This is not true and the reports filed by him for at least the past three quarters are allegedly fraudulent.

The reports show that disbursements totaling over \$7,000 were made to Newton and the November Group for the first quarter when the committee was over \$7,500 in the red and payments of over \$3,000 were made to November Group and Newton during the second quarter while the PAC was still operating in the red, according to the reports on your website.

Also, according to your website, you have made three requests for additional information to Brian Schiavo—12/21/05, 12/01/06 and 2/16/07 and according to

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your website, it does not appear that Mr. Schiavo has responded to your inquiries or provided the requested information, ie an explanation of the fundraising fees and consulting fees paid to Derek Newton as the owner of November Group and the vice president/director of On-Time Fundraisers. All told, again—according to the reports on your website— Derek Newton who is listed as the registered agent for the Florida TerrPAC, has been paid \$37,608.90 through November Group from the federal PAC and his other business, On-Time Fundraisers, has been paid \$3816 for a total of \$41,424 or nearly 60% of the PAC's total receipts without properly itemizing for what purposes this money was expended or providing the requested explanations. Although over \$9,900 has been paid to Frederick Polls of Virginia for "polling" there is no indication of the results of those polls or how they were used or even if they exist. There are also payments of over \$6,000 paid to Jesus Junco and Junco Partners for video and DVD distribution/duplication but no indication of the content and purpose nor where they were "distributed".

It would appear that an audit is warranted in that this PAC claims it has a balance of \$35,353 when actually there's a \$9,300 deficit. Why are the checks not bouncing? How can this PAC be making disbursements exceeding the amount of receipts? Why has this PAC not answered the requests for information and is the money for the travel expenses and disbursements being paid to Derek Newton simply a conduit to Michael Schiavo?

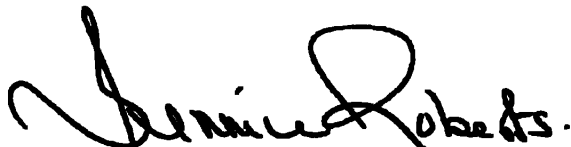
I believe an audit of this PAC is in order as well as an IRS audit of both Newton and Schiavo. I would also like to know why you are allowing these false reports to be filed as the reports filed by Brian Schiavo have been inaccurate and false since last year. There hasn't been a balance on hand according to the reports on your website, the disbursements have exceeded the receipts reported for some time which would seem to indicate not only false reporting but an alleged fraud.

Sincerely,

Jane Madam

STATE OF NEW YORK }
COUNTY OF WARREN } sec

Subscribed and sworn to before me
on this 20th day of Aug. 2007


Dennis Roberts
Notary Public, State of New York
Registration #0190888783
Qualified in Warren County
My Commission Expires May 20, 2010

Addendum to complaint RE: TerriPAC

I would like to submit this addendum to my complaint. On March 30, 2007, Michael Schiavo stated on Daily KOS that he had raised \$2,200 in the past 48 hours (\$1,100 and a woman donor supposedly matched that) and there was still another day left in the quarter at the time he made that posted on March 30. That amount of \$2,200 he announced—plus any other monies raised—should have been reported in the first quarter report filed April 15, 2007. However, it was not. The first quarter report shows only two donations, neither from a woman—one of \$250 from William Rinker and \$1,375.25 from "donations unitemized" and the 2nd quarter shows only one contribution, \$2,000 from Paul Crothers. The \$2,200 supposedly contributed by the woman donor as he stated on Daily KOS is not shown on the reports. It certainly would appear that there was a false statement made somewhere—either on Daily KOS or in the quarterly report submitted by Brian Schiavo as being true and correct.

<http://www.dailykos.com/user/Michael%20Schiavo>

UPDATE: TerriPAC Donor Matching Opportunity

by Michael Schiavo

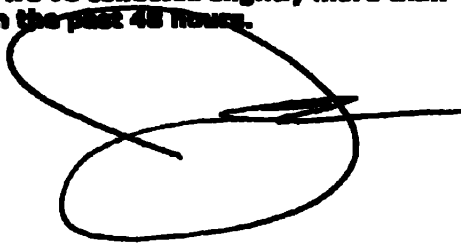
Fri Mar 30, 2007 at 09:16:20 PM PDT

Hello, KOS nation.

Last night I was delighted to have received more than 80 comments about my post on NH Sen. Sununu and what he has to say about my case two years ago. Thanks to all who posted and I'll get to answering those comments as soon as I can.

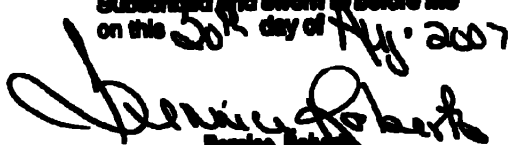
The day before posting about Sununu, I let KOS nation know about a great opportunity our PAC has to raise some money from a great donor who has offered to match anything we raise by midnight tomorrow (March 31.)

UPDATE: Since our great donor made her offer, we've collected slightly more than \$1,100 on-line. With her match, that's \$2,200 in the past 48 hours.



STATE OF NEW YORK }
COUNTY OF WARREN } ss:

Subscribed and sworn to before me
on this 30th day of May, 2007


Dennis Roberts
Notary Public, State of New York
Registration #01700000763
Qualified in Warren County
My Commission Expires May 21, 2010